

Message Text

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PAGE 01 STATE 061234
ORIGIN NEA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 AID-05 EB-08 TRSE-00 STR-04 OMB-01 CEA-01
COME-00 FRB-03 XMB-02 OPIC-03 LAB-04 SIL-01 AF-08
ARA-06 EA-07 EUR-12 IO-13 JUSE-00 MMO-01 SIG-01
/136 R

DRAFTED BY:NEA/RA:DTMORRISON
APPROVED BY:NEA:SSOBER
EB:AWATSON
L/NEA:DSMALL
H:RFLATEN
NEA/ARN:MDRAPER
NEA/EGY:PKENNEDY
USDOC/CAGNE:JHEARN
NEA/RA:JRCHEEK

-----192222Z 014143 /63

R 190141Z MAR 77
FM SECSTATE WASHDC
TO AMEMBASSY CAIRO IMMEDIATE
AMEMBASSY ABU DHABI
AMEMBASSY AMMAN
USINT BAGHDAD
AMEMBASSY BEIRUT
AMEMBASSY DAMASCUS
AMEMBASSY DOHA
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY MANAMA
AMEMBASSY MUSCAT
AMEMBASSY SANA
AMEMBASSY TEL AVIV
AMEMBASSY TRIPOLI
INFO AMEMBASSY ALGIERS
AMEMBASSY TUNIS
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AMEMBASSY KHARTOUM
AMEMBASSY MOGADISCIO
AMEMBASSY NOUAKCHOTT
AMEMBASSY RABAT
ALL OECD CAPITALS

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E.O. 11652: N/A

TAGS: ETRD

SUBJECT: STATUS REPORT ON U.S. ANTI-BOYCOTT LEGISLATION

1. DURING WEEK OF MARCH 14-18, BOTH HOUSE INTERNATIONAL RELATIONS COMMITTEE (HIRC) AND SENATE BANKING COMMITTEE BEGAN MARK-UP OF CURRENT ANTI-BOYCOTT BILLS (S. 69/H.R. 1561). MARK-UP ACTIVITY IS SCHEDULED TO RESUME EARLY NEXT WEEK WITH POSSIBILITY THAT HIRC AND SENATE BANKING COMMITTEE BOTH MIGHT COMPLETE WORK BY THURSDAY, MARCH 24.

2. BASED ON HEARINGS/MARK-UP PROCEEDINGS TO DATE, BOTH HOUSE AND SENATE BILLS WHEN REPORTED OUT APPEAR CERTAIN TO PROHIBIT BOYCOTT-RELATED ACTS OF DISCRIMINATION BASED ON FACTORS OF RACE, RELIGION, SEX, OR NATIONAL ORIGIN (ESSENTIALLY CODIFYING EXISTING USDOC EXPORT ADMINISTRATION REGULATIONS). ALSO, BOTH BILLS SEEM CERTAIN TO PROHIBIT REFRAINING FROM DEALING (OR REFUSALS TO DEAL) BY U.S. PERSONS WITH BOYCOTTED COUNTRIES OR WITH BLACKLISTED PERSONS. IN ADDITION, BILLS CAN BE EXPECTED TO INCLUDE BROAD PROHIBITION AGAINST SUPPLY OF BOYCOTT-TYPE INFORMATION (E.G., CERTIFICATION OF ABSENCE OF PARTICULAR TYPES OF RELATIONSHIPS SUCH AS

INVESTMENT OR OWNERSHIP WITH BOYCOTTED COUNTRY OR BLACK-LIMITED OFFICIAL USE

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LISTED FIRM). NEGATIVE CERTIFICATIONS OF ORIGIN (E.G., NOT OF ISRAELI ORIGIN) SEEM LIKELY TO BE PROHIBITED, THOUGH AT LEAST SENATE BILL IS EXPECTED TO ALLOW PRESIDENTIAL WAIVER FOR PERIOD OF UP TO ONE YEAR FROM EFFECTIVE DATE OF LEGISLATION. BOTH COMMITTEES ALSO APPEAR SYMPATHETIC TO PREEMPTION OF STATE ANTI-BOYCOTT LAWS.

3. KEY UNRESOLVED ISSUES ARE WHETHER U.S. PERSONS RESIDENT IN FOREIGN COUNTRIES MAY COMPLY FULLY WITH HOST COUNTRY LAWS, INCLUDING THOSE RELATED TO BOYCOTT ENFORCEMENT, IN ALL BUSINESS TRANSACTIONS. ALSO, WHETHER U.S. SUPPLIERS MAY ACCEDE TO UNILATERAL SELECTION OF PRODUCTS/COMPONENTS WHERE BOYCOTT CONSIDERATIONS ARE KNOWN, OR SHOULD HAVE BEEN KNOWN, BY SUPPLIER TO HAVE ENTERED INTO SELECTION DECISION BY FOREIGN COUNTRY, FOREIGN NATIONAL, OR FOREIGN RESIDENT (INCLUDING U.S. PERSONS). ADMINISTRATION POSITION HAS BEEN TO SUPPORT AMENDMENTS OR INTERPRETATIONS WHICH WOULD ALLOW SUCH BUSINESS TRANSACTIONS

TO GO FORWARD UNOBSTRUCTED BY NEW LEGISLATION. ANTI-
DEFAMATION LEAGUE AGREEMENT WITH BUSINESS ROUNDTABLE,
THOUGH AMBIGUOUS IN SOME RESPECTS, LENDS ITSELF TO SIMILAR
INTERPRETATION. ANOTHER QUESTION REMAINING RELATES TO
WHETHER VIOLATION OF REFRAINING OR REFUSING TO DEAL
PROVISIONS SHOULD REQUIRE FINDING OF EXPLICIT OR IMPLICIT
AGREEMENT (FOLLOWING ADL-BRT AGREEMENT) OR WHETHER WHOLLY
UNILATERAL ACTION AS NOW PROVIDED IN BOTH BILLS SHOULD
SUFFICE. EXTENT TO WHICH LAW WILL APPLY TO EXISTING
CONTRACTS (I.E., GRANDFATHER CLAUSE) AND TO OVERSEAS
SUBSIDIARIES/AFFILIATES ALSO REMAINS TO BE WORKED OUT IN
COURSE OF MARK-UP.

4. ABOVE REPORT PROVIDED PRIMARILY FYI; IF DISCUSSED
WITH HOST GOVERNMENT, SPECULATION SHOULD BE AVOIDED. FOR
CAIRO: PLEASE ADVISE FORMER VICE PRESIDENT ROCKEFELLER
OF CURRENT STATUS OF THESE DEVELOPMENTS PRIOR TO HIS .
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DEPARTURE FOR SAUDI ARABIA.
VANCE

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ORIGIN NEA-03

INFO OCT-01 ISO-00 /004 R

66011
DRAFTED BY NEA/RA:DTMORRISON:JR
APPROVED BY NEA/RA:JRCHEEK
-----212246Z 030191 /63

P R 212141Z MAR 77
FM SECSTATE WASHDC
TO AMEMBASSY TEHRAN PRIORITY
INFO AMCONSUL ALEXANDRIA
AMCONSUL DHAHRAN

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TEHRAN - FOR STEPHEN E. PALMER, JR.

FOL RPT STATE 061234 ACTION CAIRO ABU DHABI AMMAN BAGHDAD
BEIRUT DAMASCUS DOHA JIDDA KUWAIT MANAMA MUSCAT SANA TEL
AVIV TRIPOLI INFO ALGIERS KHARTOUM MOGADISCIO NOUAKCHOTT
RABAT TUNIS 19 MAR 77 QUOTE

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VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: US CONGRESSIONAL HEARINGS, LEGISLATIVE BILLS, BOYCOTTS
Control Number: n/a
Copy: SINGLE
Sent Date: 19-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: NEA/RA:DTMORRISON
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770136-0058, D770094-0286
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770342/aaaabknu.tel
Line Count: 259
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: bf985cb5-c288-dd11-92da-001cc4696bcc
Office: ORIGIN NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 16-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3058191
Secure: OPEN
Status: NATIVE
Subject: STATUS REPORT ON U.S. ANTI-BOYCOTT LEGISLATION
TAGS: ETRD, US, XF
To: CAIRO ABU DHABI MULTIPLE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/bf985cb5-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009